

NSC BRIEFING

13 April 1958

NEAR EAST ROUNDUP

Saudi Arabia

- I. In the three weeks since King Saud formally gave broad powers to Crown Prince Faysal (22 March), the latter has apparently moved carefully, concentrating his attention on the kingdom's economic problems, and leaving any foreign policy changes in abeyance.
  - A. The economic situation is so serious that the Saudi government may be forced to <sup>seek</sup> obtain a large foreign loan, possibly as much as \$100 million.
  - B. The decisions to discontinue the \$14 million annual subsidy to Jordan, and to reduce the 3,500-4,000 Saudi troops stationed in Jordan had been taken before Faysal's assumption of more power.

II

### Nasir Trip

- I. I reported to you two weeks ago that Nasir would soon visit European satellites. The latest report is that he will leave Cairo on 29 April for a two-week visit. He says the trip is on his own initiative, accepting long-standing invitations.
- II. Nasir will probably have general discussions covering basic problems created by his UAR. It is certain that considerable emphasis will be on economic matters.
  - A. Egyptian and Syrian arms and economic deals with the USSR are scheduled to be organized under a single agreement.
- III. In Moscow, Nasir will be given <sup>special</sup> extra "red carpet" treatment.
  - A. Moscow considers Nasir the most important of the Asian-African Nationalist leaders and may go to unusual lengths to impress him during his visit.
  - B. The USSR will propagandize his presence to demonstrate the Soviet role within the Asian-African community and firm Soviet support for Arab Nationalism and the harmony of Soviet-UAR policies in the Middle East.

### Lebanon

- I. Serious unrest and tension developing in Lebanon.
  - A. This springs from pro-Western President Chamoun's apparent intention to seek second six-year term which is prohibited by the constitution.
    1. Chamoun confident he can secure constitutional amendment and re-election by parliament.
    2.  he will probably attempt this in early May. His present term expires in September, but his proposed constitutional amendments also provide for immediate reelections.

B. Opposition as well as Egyptian and Syrian agents are attempting to cause Chamoun's overthrow by instigating incidents which they hope will force the government to intemperate counter-action.

1. Anti-government disturbances in the past two weeks have resulted in several deaths.

II. Lebanese army, commanded by Gen. Shihab, who has reservations regarding Chamoun's candidacy, is a key to situation.

A. If Shihab uses the army to support internal security forces the likelihood of widespread disorders would be averted.

#### Arab-Israeli Situation

I. During past week considerable tension developed on Israeli-Syrian frontier.

A. Current dispute over Israeli drainage canal activity in demilitarized zone has been at least temporarily settled by UN intervention.

II. We believe, however, that new frictions and possibly major incidents along the border will develop.

A. The increasing boldness of Nasir's air operations is another source of possible trouble.

Approved For Release 2003/10/01 : CIA-RDP79R00890A000900080031-6

25X1

Approved For Release 2003/10/01 : CIA-RDP79R00890A000900080031-6